

# FISCAL NOTE

**Bill #:** SB0310

**Title:** Submit special fuel tax refund limitation to electors

**Primary**

**Sponsor:** Arnie Mohl

**Status:** As introduced/ revised

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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## Fiscal Summary

	<b><u>FY2000 Difference</u></b>	<b><u>FY2001 Difference</u></b>
<b>Expenditures:</b>		
General Fund	\$56,250	0
<b>Revenue:</b>		
State Special Revenue	\$25,038,963	\$25,038,963
<b>Net Impact on General Fund Balance:</b>	<b>0</b>	<b>0</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	x	Significant Local Gov. Impact		x	Technical Concerns
	x	Included in the Executive Budget	x		Significant Long-Term Impacts

## Fiscal Analysis

### ASSUMPTIONS:

1. For purposes of CI-75, the incremental cost for the Secretary of State's Office (SoS) Voter Information Packet (VIP) is \$12,390 plus county distribution costs of \$43,860 for a total of \$56,250. The SoS is to receive a general fund appropriation of this amount and, if the vote is successful, Department of Transportation will reimburse the general fund from the state special revenue approved by this issue. A statewide, non-general election has a base cost of \$690,000 for the counties and \$46,987 for the state for total general fund of \$736,987. Per 1-2-112, MCA, county costs must be funded by the Legislature.
2. Except for the new exclusions, refunds for FY 2000 and FY 2001 will not vary materially from FY 1998.

(continued)

3. Because 72.6% (2,170 agriculture and logging refunds / 2,991 total refunds) of the requests in FY 1998 were from either agriculture or logging, this bill will not result in a decrease of staffing for refund processing.
4. This bill does not affect refunds of credit balances allowed by the International Fuel Tax Agreement (IFTA).
5. This bill does not affect tax credits or refunds of credit balances resulting from erroneous tax payments.
6. This bill will eliminate refunds for off-road commercial activity which will include railroads, power take off of auxiliary engines (PTO), and reefer (maintaining temperature) units.
7. Those who would no longer qualify for a refund would continue to purchase undyed (taxed) diesel/ special fuel.

**FISCAL IMPACT:**

	FY2000 <u>Difference</u>	FY2001 <u>Difference</u>
<b>Department of Transportation</b>		
<u>Expenditures:</u>	0	0
<u>Funding:</u>	0	0
<u>Revenues:</u>		
State Special Revenue (02)	\$25,038,963	\$25,038,963

**Secretary of State**

<u>Expenditures:</u>	
Operating Expenses	12,390
Transfers (to counties)	<u>43,860</u>
TOTAL	\$56,250

<u>Funding:</u>	
General Fund (01)	\$56,250

<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>	
State Special Revenue (02)	\$24,982,713
	\$25,038,963

**LONG RANGE IMPACTS:**

The highway state special revenue accounts would continue to receive approximately \$25 million each year as long as the purchase of undyed (taxed) diesel/ special fuels would remain at the FY 1998 level.